

INSURANCE REGULATORY TRUST FUND

State Investment Board Balance Sheet As of 10/31/2008

	As of <u>10-31-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 129,277	\$ 769,354
INTERNATIONAL EQUITIES	51,270	381,749
DOMESTIC FIXED INCOME	335,065	1,457,427
INVESTED CASH (NOTE 1)	<u>301,833</u>	<u>1,471,935</u>
TOTAL INVESTMENTS	817,445	4,080,465
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	8,542	6,961
MISCELLANEOUS RECEIVABLE	<u>6</u>	<u>6</u>
TOTAL RECEIVABLES	8,548	6,967
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	17,659	84,775
OPERATING CASH	<u>(149)</u>	<u>136</u>
TOTAL ASSETS	<u>\$ 843,503</u>	<u>\$ 4,172,343</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	17,659	84,775
ACCOUNTS PAYABLE	10	28
ACCRUED EXPENSES	13	30
INVESTMENT EXPENSE PAYABLE	<u>4,363</u>	<u>4,363</u>
TOTAL LIABILITIES	22,045	89,196
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	4,083,147	3,982,228
CASH IN DURING YEAR (NOTE 3)	0	3,500,000
CASH OUT DURING YEAR (NOTE 4)	3,000,000	3,350,000
NET INCREASE (DECREASE)	<u>(261,689)</u>	<u>(49,081)</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>821,458</u>	<u>4,083,147</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 843,503</u>	<u>\$ 4,172,343</u>

INSURANCE REGULATORY TRUST FUND

State Investment Board Profit and Loss Statement For the Month Ended 10/31/2008

	Month Ended <u>10-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 2,287	\$ 33,154
SECURITIES LENDING INCOME	49	649
	<u>2,336</u>	<u>33,803</u>
 GAIN ON SALE OF INVESTMENTS	 18,552	 172,888
LOSS ON SALE OF INVESTMENTS	31,401	201,073
	<u></u>	<u></u>
NET GAINS (LOSSES) INVESTMENTS	(12,849)	(28,185)
 INVESTMENT EXPENSES	 0	 4,370
SECURITIES LENDING EXPENSES	25	447
 NET INVESTMENT INCOME	 (10,538)	 801
 NET APPREC (DEPREC) MARKET VALUE	 (52,236)	 (262,787)
MISCELLANEOUS INCOME/(EXPENSE)	(5)	555
	<u></u>	<u></u>
TOTAL INVESTMENT INCOME	<u>(62,779)</u>	<u>(261,431)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	8	258
 NET INCREASE (DECREASE)	 <u>\$ (62,787)</u>	 <u>\$ (261,689)</u>

INSURANCE REGULATORY TRUST FUND

State Investment Board SUPPLEMENTARY INFORMATION As of 10/31/2008

	As of <u>10/31/08</u>
ASSETS:	
INVESTMENTS (AT COST)	
LARGE CAP EQUITY	164,663
SMALL CAP EQUITY	<u>89,403</u>
TOTAL DOMESTIC EQUITIES	254,066
INTERNATIONAL EQUITY	238,216
FIXED INCOME	418,268
INVESTED CASH (NOTE 1)	<u>301,833</u>
TOTAL INVESTMENTS (AT COST)	<u><u>\$1,212,382</u></u>

INSURANCE REGULATORY TRUST FUND
Notes To Financial Statements
October 31, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.